

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter Of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE ENVIRONMENTAL)	
SURCHARGE PASSTHROUGH MECHANISM OF)	CASE NO. 96-328
GREEN RIVER ELECTRIC CORPORATION AS)	
BILLED FROM NOVEMBER 17, 1995 TO)	
APRIL 16, 1996)	

O R D E R

On July 12, 1996, the Commission initiated this proceeding to review Green River Electric Corporation's ("Green River") environmental surcharge passthrough mechanism as billed to customers for the six months November 17, 1995 through April 16, 1996. Pursuant to the Commission's decision in Case No. 95-208,¹ formal reviews of the operation of Green River's surcharge were ordered to be conducted at six-month intervals in conjunction with the Commission's review of the operation of Big Rivers Electric Corporation's ("Big Rivers") environmental surcharge.

Green River determined that it had over-recovered \$1,961.64 from its Non-Dedicated Delivery Point customers during the review period.² Green River proposed to include the over-recovery in a future month's calculation of the billing factor and return

¹ Case No. 95-208, The Applications of Green River Electric Corporation, Henderson Union Electric Cooperative Corporation, Jackson Purchase Electric Cooperative Corporation, and Meade County Rural Electric Cooperative Corporation for Approval of Mechanisms to Flow Through Environmental Surcharges to be Charged by Their Wholesale Power Supplier, Big Rivers Electric Corporation, final Order dated October 4, 1995.

² Thompson Affidavit, Exhibit A. Due to the nature of the billing practices, Dedicated Delivery Point customers do not experience either over- or under-recoveries.

the over-recovery to customers billed in the subsequent four billing cycles.³ Green River contends that this is the most cost effective method available.

After review of Green River's calculations, the Commission finds that Green River over-recovered \$1,961.64 through its environmental surcharge passthrough mechanism and should return the over-recovery to its customers as a lump sum adjustment to the next billing factor calculated subsequent to the date of this Order. The Commission further finds that ES Form 1.0 should be revised to reflect this adjustment. The Commission has also designed format ES Form 2.0, which should be used for all subsequent six-month and two-year reviews. Both formats are appended to this Order.⁴

IT IS THEREFORE ORDERED that:


1. Green River shall apply a reduction of \$1,961.64 when calculating the billing factor in its next monthly surcharge passthrough filing subsequent to the date of this Order.
2. The reporting formats in Appendix A shall replace the corresponding formats authorized in Case No. 95-208. The formats shall be used in the monthly surcharge reports filed subsequent to the date of this Order.
3. Green River shall incorporate all revisions made in this Order in the appropriate future six-month review proceedings.


³ Response to the Commission's August 15, 1996 Order, Item 1.

⁴ Although unchanged, ES Form 1.1 is included in Appendix A for Green River's future reference.

Done at Frankfort, Kentucky, this 20th day of December, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 96-328 DATED DECEMBER 20, 1996

MONTHLY AND SIX-MONTH ENVIRONMENTAL SURCHARGE PASS THROUGH REPORTING FORMATS FOR GREEN RIVER ELECTRIC CORPORATION

Monthly Reporting Formats:

- | | |
|-------------|---|
| ES Form 1.0 | Allocation of Environmental Surcharge Billed by Big Rivers Electric Corporation and Calculation of Environmental Surcharge Factor for Customers Served From Non-Dedicated Delivery Points |
| ES Form 1.1 | Environmental Surcharge Billed to Customers Served From Dedicated Delivery Points [To be filed <u>only</u> if more than one customer served from a dedicated delivery point.] |

Six-Month Review Format:

- | | |
|-------------|--|
| ES Form 2.0 | Big Rivers Environmental Surcharge Passthrough Recap of Billing Factors and Revenue - Non-Dedicated Delivery Customers |
|-------------|--|

**GREEN RIVER ELECTRIC CORPORATION
ALLOCATION OF ENVIRONMENTAL SURCHARGE BILLED BY BIG RIVERS
ELECTRIC CORPORATION AND CALCULATION OF ENVIRONMENTAL
SURCHARGE FACTOR FOR CUSTOMERS SERVED FROM
NON-DEDICATED DELIVERY POINTS
For the Month of _____**

Total Monthly Environmental Surcharge Billed to Cooperative	\$
Deduct Total Amount Billed Directly to Customers Served from Dedicated Delivery Points ¹	\$
Monthly Environmental Surcharge to be Allocated to Customers Served from Non-Dedicated Delivery Points, EN(m)	\$
Adjustment for Six-Month Over- or Under-Recovery	\$
Net EN(m)	\$

CALCULATION OF ENVIRONMENTAL SURCHARGE FACTOR

EN(m):	Net of Over- or Under-Recovery	\$
P(m) :	Total KWH Purchased, Less Line Losses Equal to a 12-Month Moving Average	KWH
Environmental Surcharge Factor: $\text{Net EN(m)/P(m)} =$		


Effective Date for Billing: _____

Submitted by: _____

Title: _____

Date Submitted: _____

¹ If more than one customer is served from a dedicated delivery point, complete and attach ES Form 1.1. If only one customer is served from a dedicated delivery point, then identify here: _____



**GREEN RIVER ELECTRIC CORPORATION
ENVIRONMENTAL SURCHARGE BILLED TO CUSTOMERS
SERVED FROM DEDICATED DELIVERY POINTS
For the Month of _____**

CUSTOMER	AMOUNT BILLED
	\$
Total Environmental Surcharge Billed to Customers Served from Dedicated Delivery Points	\$

GREEN RIVER ELECTRIC CORPORATION
BIG RIVERS ENVIRONMENTAL SURCHARGE PASSTHROUGH
RECAP OF BILLING FACTORS AND REVENUE - NON-DEDICATED DELIVERY CUSTOMERS
 For the Period _____ through _____

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Date Billed by Big Rivers	Amount Billed by Big Rivers	KWH Purchased	Line Loss %	Net KWH	Billing Factor	Amount Billed Customers	Billing Period Beginning	Monthly Over/(Under) Recovery
Totals								

For each month presented, include copies of the appropriate monthly Invoices submitted by Big Rivers to the Cooperative for the Non-Dedicated Delivery Customers. Provide reconciliations for any amount shown on this schedule which differs with the amounts shown on the Big Rivers' Invoices.

Include any other documentation necessary to support the amounts shown on this schedule.